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DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION:
TRADE AND DEVELOPMENT

Letter dated 10 May 1993 from the Permanent Representative of Saint Lucia to the United Nations addressed to the Secretary-General

On behalf of my Government, I have the honour to respond to the note verbale dated 13 April 1993 from the Permanent Mission of Panama to the United Nations addressed to you (A/48/139).

The Government of Saint Lucia rejects the assertions made in the Declaration on Bananas, which was issued by the Ministers for Foreign Affairs of Costa Rica, El Salvador, Guatemala, Honduras, Panama, Nicaragua, Colombia and Ecuador on 2 April 1993 and appears in the annex to the note verbale. And, by extension, Saint Lucia reiterates its rejection of the Declaration of Santiago de Guayaquil made on 11 February 1993 by the Presidents of the Central American banana-producing countries.

The position of Saint Lucia was made clear by its Permanent Representative on 24 February 1993, when the Declaration of Santiago de Guayaquil was presented to the Permanent Council of the Organization of American States. I therefore enclose the statement made by Saint Lucia on that occasion (see annex).

I would be grateful if you would have the text of the present letter and its annex circulated as a document of the General Assembly under item 92 (a) of the preliminary list.

(Signed) Charles S. FLEMMING
Ambassador
Permanent Representative

* A/48/50.

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ANNEX

Statement on the Declaration of Santiago de Guayaquil made by the representative of Saint Lucia to the Permanent Council of the Organization of American States on 24 February 1993

It is the view of the delegation of Saint Lucia that the Declaration tabled at this Permanent Council, which rejects the ruling of the Council of Ministers of Agriculture of the European Community and which makes certain demands and charges against countries of the said Community, countries which are not full members of our organization, countries which are acting within their legal rights as members of a legally constituted community of nations, upholding international agreements with their traditional partners under international law, ought not to be dealt with here in the manner presented to us.

This Declaration attempts to question the judgement of the European Community and, by inference, the integrity of the members of the European Community represented here as observers to our Organization.

It challenges the resolve of the Prime Ministers and Ministers of Government of the Caribbean who have dedicated their time and energy, together with Ministers of the European Community, to assure that the rights of all parties to the Lomé Convention are preserved. I quote from the Convention: "... no ACP State, traditional supplier to the Community, is placed as regards access to, and advantages in, the Community, in a less favourable situation than in the past or present" (Fourth ACP-EEC Convention of Lomé, annex LXXIV).

This Declaration before us further challenges the spirit and principles of the General Agreement on Tariffs and Trade (GATT), which provides for the phased application of relevant measures to minimize dislocation, especially in developing countries. It therefore disregards the spirit and explicit provisions of the Lomé Convention and GATT.

It would have been better for the presenter of this Declaration to invoke the regional principles and obligations of our charter, the charter of the Organization of American States, which has as its purpose "to promote by cooperative action" the economic and social development of our countries, for, "economic cooperation is essential to the common welfare and prosperity of the peoples of the continent". I have chosen to quote extracts from articles 2 and 3 of our charter to stress the need for understanding of each other's position and respect for international agreements made by different countries in multinational forums, albeit outside the Organization of American States.

This presentation by the Ambassador of Ecuador can do more harm than good, for, as presented here, it is not within the spirit of our charter.

I sincerely hope this presentation is not intended to cause a strain in the friendly relations that have existed between our respective countries in the hemisphere, where we have always embraced opportunities to foster friendly relations through cooperative action for the good of all.

The question may be asked: do the supporters of this Declaration have any regard for the social and economic well-being of our brothers and sisters in the small States of the Caribbean within our hemispheric grouping? Perhaps the facts of the banana industry are not fully known to the authors of the Declaration before us. Let me touch on some salient points germane to the situation.

Latin American countries presently command some 95 per cent of the world banana market and more than two thirds of the European Community market.

Part of the problem today, Mr. President, is the over-production of bananas worldwide, with the most significant over-production, i.e., supply exceeding demand, coming from Ecuador. For example, in 1985, Ecuador produced 1,207 million tons of bananas compared with 2 million in 1991, exporting to 23 different countries. Banana reports in the 1970s already warned of over-production from 1983 to 1991.

Mr. President, world banana production in 1990 was around 9.4 million tons, of which the Windward Islands produced 277,000 tons; the Caribbean as a whole in that year produced 648,000 tons. Dominica, Grenada, Saint Lucia and Saint Vincent and the Grenadines produced 56,000, 7,000, 133,000 and 76,000 tons respectively.

Are Latin American countries saying to Dominica, Grenada, Saint Vincent and the Grenadines and Saint Lucia that they wish to displace, to absorb, all the production of these little islands regardless of our international agreements with the European Community? Are they, as well, informing our fellow ACP countries in this Organization, Suriname, Jamaica and Belize, that there is no place for them in the banana market and that they must give up their legal rights enshrined in their international agreement with the European Community?

Mr. President, we must remember that Latin America now commands 100 per cent of the markets of the United States of America and Canada and over two thirds of the world market.

Mr. President, it must be remembered that no one country in this hemisphere is as dependent on bananas for its economic survival as the Windward Islands.

Are we being told by the presenters of this Declaration that, in the interest of free trade, all past international agreement between the Caribbean and friendly nations are to be dissolved, leaving us at the mercy of powerful States and mega-blocks? Are we being asked to surrender our traditional banana markets to the mighty ones? Are we being told that our micro-industries are to be driven to extinction and the economic plank of our countries destroyed in order to serve the interests of our very partners in this Organization?

Do the supporters of this Declaration wish to rupture our social and economic fabric, putting the security of our small States, our long-standing, stable democracies in peril?

Mr. President, we in the Caribbean are not as endowed with natural resources as some countries in this hemisphere, but we feel that in the interest

of hemispheric unity and security we must work together for the common good of all, not just for the good of some at the expense of others.

What about the social and economic plight of our people in the Caribbean, where, for example, in Dominica 58.5 per cent of the export earnings depend on bananas, which is 75 per cent of the total agricultural exports? What about Saint Lucia, where over 54 per cent of our export earnings depend upon bananas?

Mr. President, over 50 per cent of the working population of the islands of Grenada, Saint Vincent and the Grenadines, Saint Lucia and Dominica work in banana-associated enterprises. This is their livelihood. Is it the intent of Latin America to destroy the backbone of the economy of our countries when, under our international Convention of Lomé, we are given special consideration.

Is it the view of Latin America that there is no place for us in the banana marketplace? Mr. President, I do not wish to go into a comparative exposé of the structure of the banana industries of the Caribbean vis-à-vis those of Latin America and as it relates to who owns what, the extent of privatization of production, workers rights, unions, etc.

Suffice it to say that banana growing in the Windward Islands is fully privatized, banana lands are owned by the people of the islands and their families and there is full respect for workers rights and unions. The banana industry is the backbone of the economy of these islands. Why should any country or group of countries seek to destroy the social and economic structure of another group of countries within our hemispheric grouping through the use of measures that seek to disrupt our international arrangements with a group of friendly countries with which we have had a long, traditional and successful association?

Saint Lucia supports and applauds the agreement of the European Community and all friendly nations that have our interests at heart. We reject and are appalled by any attempt by any country or group of countries which seeks to demolish the social and economic fabric of our people and undermine the security of our small and vulnerable States.

I would like to repeat here the words of President Clinton in his address at the recent Miami meeting, although expressed in another context: "We must reach out to the small market economies of the Caribbean Basin to ensure that they, too, are part of our efforts to expand trade and prosperity."

Yes, we, too, have a right to trade and to prosper, regardless of our size. We stand tall, well-rooted in the earth that is ours as well as yours. Let us share the good earth and sow the good seed of brotherhood for generations to come and not seek to destroy each other.

Saint Lucia rejects the Declaration tabled here, for it is not in keeping with the essence and spirit of the Charter of the Organization of American States, the Lomé Convention and GATT.

The Windward Islands Banana Growers' Association (WINBAN) was involved in assisting Latin America in banana technology in the 1970s. I headed the team of experts from WINBAN to advise the Union of Banana Exporting Countries (UPEB) in

establishing research priorities when technical information from the fruit companies was not available to private growers in those countries. We were also founding members of the Association for the Collaboration of Banana Research and Technology (ACORBAT) and the Organization of Tropical American Nematologists (OTAN), as well as the International Association for Cooperation on Banana and Plantain Technology. WINBAN and Jamaica participated in establishing these regional bodies because we saw the need to share our technology with our fellow growers in Latin America.

I am fully aware of the nature of the banana industry in Latin America, and I have served as an adviser in banana technology in many of these countries. I am also a past President of ACORBAT and OTAN and a founding member of the global organization. I can tell you more than you may wish to hear of the nature of the banana industry in Latin America.

Mr. President, mighty nations around this table provide protection to their industries and create barriers to trade to protect the national and security interests of their countries. Some of the barriers are stronger, thicker and more impenetrable to trade than the Berlin Wall once was.

Mr. President, we are small and we may not have the economy of scale to protect ourselves, but we will not be made into sacrificial lambs before the alter of the new-found religion of free trade in this hemispheric cathedral.

We will continue to work closely with those friends in our hemisphere and beyond our immediate shores who wish to work together with us in areas of mutual interest - one helping the other rather than seeking only self-interest with little regard for the predicament of others.

Mr. President, I am pleased to table the resolution of the Heads of Government of the Caribbean Community. You will note, my colleagues, that this resolution is a balanced one, and it urges concerned States to endorse the European Community proposals as the means which will most effectively balance the legitimate interests of all the parties.

This resolution is a reflection of the true spirit of the charter of our Organization: to seek through common and collective action, through cooperative action, the economic and social upliftment of all our people in the hemisphere, "the common welfare and prosperity of the peoples of the continent."